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EXECUTIVE SECRETARY

July 2, 2001

VIA HAND DELIVERY

K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

***Re: Petition of United Telephone Company to Change and Increase Certain Intrastate Rates and Charges So As to Permit It To Earn a Fair and Adequate Rate of Return on Its Property Used and Useful in Furnishing Telephone Service to Its Customers in Tennessee and To Adopt New and Realistic Depreciation Rates for Central Office Equipment.
Docket No. 01-00451***

Dear Mr. Waddell:

Enclosed please find the original and thirteen (13) copies of the Response of United Telephone Company in Opposition to the Petition for Intervention of AT&T Communications of the South Central States, Inc., for filing in the above-referenced docket. Also enclosed is an additional copy of the Response, which I would appreciate your stamping "filed," and returning to me by way of our courier.

Should you have any questions with respect to this filing, please do not hesitate to contact me at the telephone number listed above.

Best regards.

Very truly yours,



R. Dale Grimes

RDG/gci

Enclosures

cc: Vance L. Broemel, Esq. (via hand delivery)
J. Richard Collier, Esq. (via hand delivery)
James P. Lamoureux, Esq. (via facsimile & mail)
T. G. Pappas, Esq.
Mr. Herbert Bivens

IN RE:)
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)
PETITION OF UNITED TELEPHONE)
COMPANY TO CHANGE AND INCREASE)
CERTAIN INTRASTATE RATES AND)
CHARGES SO AS TO PERMIT IT TO EARN)
A FAIR AND ADEQUATE RATE OF)
RETURN ON ITS PROPERTY USED AND)
USEFUL IN FURNISHING TELEPHONE)
SERVICE TO ITS CUSTOMERS IN)
TENNESSEE AND TO ADOPT NEW AND)
REALISTIC DEPRECIATION RATES FOR)
CENTRAL OFFICE EQUIPMENT)

Docket No. 01-00451

United Telephone Company (“United”) opposes the Petition for Intervention of AT&T Communications of the South Central States, Inc. (“AT&T”) in this matter. AT&T apparently seeks to intervene in order to contest issues relating to the access line charges it pays to United. However, United’s petition to change and increase intrastate rates and charges does not propose to change or increase access line charges. Thus, the charges AT&T pays to United will be unaffected by this proceeding and the issues AT&T seeks to raise are irrelevant. Moreover, AT&T’s proposed intervention is likely to disrupt the orderly and prompt resolution of the issues that are properly raised in this docket. Accordingly, AT&T’s proposed intervention would be contrary to provisions of Tennessee administrative procedure law, and, therefore, its Petition for Intervention should be denied.

AT&T seeks to intervene in this docket pursuant to Tenn. Code Ann. § 4-5-310. (*AT&TPet. for Int.*, at 1 (June 21, 2001)). That statute provides in relevant part:

(a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if:

(2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of law; and

(3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

Tenn. Code Ann. § 4-5-310(a). Thus, under subsection (2), the petitioner must set forth facts, not conclusions, establishing that its rights or other interests may be determined in the administrative proceeding. And, intervention in an administrative proceeding is not permissible under subsection (3) if it would impair the orderly and prompt resolution of the matter. AT&T fails to satisfy these conditions.

First, AT&T's petition does not state facts demonstrating that its legal rights or interests may be determined in this docket. While the petition alleges that "[t]he legal rights, duties and other legal interests of AT&T will be determined in this proceeding," (*AT&T Pet. for Int.* ¶ 3), it does not identify any single right, duty, or legal interest that will be affected by the Petition filed by United. AT&T asserts that it pays access charges to United, but United's petition does not seek to affect those rates in any way. If that is the legal right or interest AT&T seeks to protect, then its intervention is entirely unnecessary. Access rates are clearly outside the scope of the relief sought by United and will not be at issue in this docket.

To the extent AT&T seeks to bring about changes in access line rates charged by the smaller local exchange carriers operating in Tennessee, that issue should be considered in a generic docket that would avoid inconsistent application of law and regulation to similarly situated carriers. In fact, the Authority already has established just such a generic proceeding to determine access line charges,

Access Charge Reform Docket No. 97-00889. That is the appropriate docket for AT&T to raise these concerns.

Further, AT&T's intervention in this matter should be denied because it would cause delay and otherwise complicate these proceedings. See Tenn. Code Ann. § 4-5-310(a)(3). AT&T's track record in another case illustrates the problem. In Docket No. 99-00995, *Joint Petition of Telephone Electronics Corporation Companies and the Consumer Advocate Division for Approval of Earnings Review Settlement*, AT&T's intervention to raise its access charge concern has introduced complications so great that a proposed earnings settlement between the TEC Companies and the Consumer Advocate has not reached the Authority for consideration and approval although pending for 18 months. Thus, if that is any guide, AT&T's intervention here likely would lead to delays in the determination of the issues properly presented in this docket and the final resolution of the case. On this basis alone, AT&T's Petition for Intervention should be denied. See Tenn. Code Ann. § 4-5-310(a)(3).

AT&T's presence is not necessary for an adversarial sharpening of the issues and presentation of the merits because the Consumer Advocate has already intervened. Moreover, AT&T does not seek to intervene to contest United's right to raise the rates as proposed in the Petition; rather, AT&T seeks to interject new issues so it can grind its own ax in this proceeding. This is contrary to the proper function of intervention, and will predictably result in unnecessary and dilatory proceedings. The Authority should limit this docket to the merits of United's proposed rate increases. Otherwise, both United and its present and future customers will be the ones to suffer.

For all of the foregoing reasons, AT&T's Petition for Intervention in Docket No. 01-00451 should be denied.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served, via the method(s) indicated, this the 2nd day of July, 2001, on the following:

<input checked="" type="checkbox"/> Hand Delivery	Vance L. Broemel, Esq.
<input type="checkbox"/> Mail	Assistant Attorney General
<input type="checkbox"/> Facsimile	Consumer Advocate and Protection Division
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